

United States Department of the Interior

BUREAU OF RECLAMATION Lower Colorado Regional Office P.O. Box 61470 Boulder City, NV 89006-1470

DEC 09 2016

IN REPLY REFER TO: LC-4220 WTR-4.03

CERTIFIED - RETURN RECEIPT REQUESTED

Mr. Theodore C. Cooke General Manager Central Arizona Water Conservation District P.O. Box 43020 Phoenix, AZ 85080-3020

Subject: Approval of Revised Calendar Year (CY) 2016 Colorado River Diversion for the Central

Arizona Water Conservation District (District)

Dear Mr. Cooke:

The Bureau of Reclamation has received the District's letter dated November 9, 2016, revising the District's Colorado River water diversion estimate for CY 2016. In accordance with Title 43, Code of Federal Regulations Part 417 (Part 417), this letter provides the District with notice of my determination regarding the District's revised diversion and beneficial use of Colorado River water for CY 2016.

In letters dated February 9, 2016 and July 21, 2016, respectively, the District notified Reclamation that it would not request delivery of 13,933 acre-feet (AF) of Colorado River water conserved by the Fort McDowell Yavapai Nation under Drought Response Agreement No. 15-XX-30-W0598, as provided in Letter Agreement No. 15-XX-30-W0599; and would conserve and forbear the diversion and delivery of 25,265 AF of System Conservation Water under System Conservation Implementation Agreement No. 15-XX-30-W0602. The District's revised CY 2016 diversion estimate of November 9, 2016, incorporates additional reductions for System Conservation Water that will be conserved pursuant to System Conservation Implementation Agreements (SCIA) recently executed under the Pilot System Conservation Program (PSCP).

Specifically, the District will also forbear the diversion and delivery of an additional 20,954 AF of Colorado River water in CY 2016 for System Conservation Water that will be created by the Tohono O'odham Nation (Nation), the Gila River Indian Community (Community), and the Colorado River Indian Tribes (CRIT) pursuant to SCIA Nos. 16-XX-30-W0609¹, 16-XX-30-W0614², and 16-XX-30-W0606³, respectively. System Conservation Water created under the PSCP will remain in Lake Mead to benefit system storage.

¹As provided in SCIA No. 16-XX-30-W0609 between Reclamation and the Nation, and the associated Letter Agreement No. 16-XX-30-W0611 between Reclamation and the District, the District agreed to amend its 2016 Colorado River water order with Reclamation and not request delivery of 9,817 AF of water, allowing such volume to remain in Lake Mead.

²As provided in SCIA No. 16-XX-30-W0614 between Reclamation and the Community, and the associated Letter Agreement No. 16-XX-30-W0616 between Reclamation and the District, the District agreed to amend its 2016 Colorado River water order with Reclamation and not request delivery of 10,000 AF of water, allowing such volume to remain in Lake Mead.

³As provided in SCIA No. 16-XX-30-W0606 between Reclamation and CRIT, and the associated Letter Agreement No. 16-XX-30-W0608 between Reclamation and the District, the District agreed to amend its 2016 Colorado River water order with Reclamation to forbear the diversion and delivery of 1,137 AF of Colorado River water, allowing such volume to remain in Lake Mead.

Under Contract No. 14-06-W-245, as amended and supplemented, the District is entitled to divert the balance of Arizona's 2.8 million AF basic apportionment not consumed by higher-priority Arizona entitlement holders. Of Arizona's Colorado River basic apportionment of 2.8 million AF, it is estimated that 1,369,471 AF will be available for diversion by the District in CY 2016. Therefore, I approve the diversion of up to 1,369,471 AF of Colorado River water during CY 2016 for use in the District's service area. The table below provides the factors used to develop the District's diversion approval, as herein revised.

Water Budget Item	Amount (Acre-Feet)
Arizona Basic Apportionment	2,800,000
Estimated Uses by Higher Priority Arizona Entitlement Holders	(1,235,517)
Creation of Protection Volume by the District ^a	(134,860)
Conservation by the Fort McDowell Yavapai Nation	(13,933)
System Conservation Water created by the District	(25,265)
System Conservation Water created by the Nation	(9,817)
System Conservation Water created by the Community	(10,000)
System Conservation Water created by CRIT	(1,137)
Total Approved Diversion	1,369,471

^aThe District's estimate of the amount of Protection Volume it will create under the 2014 Memorandum of Understanding for Pilot Drought Response Actions.

As in recent years, I also approve the District to divert unused Arizona adjusted apportionment of Colorado River water as reflected on Reclamation's website to the extent such water becomes available. The approval is subject to the following conditions:

- (1) The data on Reclamation's website are provisional until final records are issued. Any diversions made as a result of the values on the website are at the District's own risk.
- (2) All available Colorado River water within Arizona has been approved for beneficial use within the state. In cases where approvals to higher priority entitlement holders are less than their Colorado River entitlements, the approvals may be increased to their full entitlements.
- (3) Final accounting records published by Reclamation may differ from the provisional data on the website. Adjustments to the final records may result in an inadvertent overrun by the District.
- (4) The District will be required to pay back any overrun according to the Inadvertent Overrun and Payback Policy.
- (5) Reclamation may at any time rescind this approval to divert unused Arizona apportionment of Colorado River water.

Reclamation will continue to monitor and project diversions and consumptive use of Colorado River water during CY 2016 in an effort to ensure each entitlement holder's annual approval amount is not exceeded. These projections are available to water users on a daily basis on Reclamation's website: www.usbr.gov/lc/region/g4000/hourly/forecast.pdf. It is expected that entitlement holders within the state of Arizona will use this information to adjust diversions to remain within approved annual quantities or, as appropriate, seek modification of the approval.

Thank you for submitting the District's revised diversion estimate for CY 2016. If you have questions, please contact Mr. Paul Matuska, Water Accounting and Verification Group Manager, at 702-293-8164 or pmatuska@usbr.gov.

Sincerely,

Terrance J. Fulp, Ph.D. Regional Director

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